

STAKEHOLDER CONSIDERATION #2

THE WAIVER MANDATE FOR ADULTS

DESCRIPTION OF THE ISSUE:

Most states require adults who qualify for a Medicaid waiver to use this source of federal funding in order to receive services. This allows states to maximize their resources by recovering about 50% of the cost of services with federal funds so that more people can be served. This means that any adult who can become Medicaid eligible by meeting the required income and asset levels must establish and maintain their eligibility in order to receive most services that these states offer. Income is money earned through work and assets are typically money in the bank or property.

CURRENT DMR PRACTICE:

Currently, DMR encourages applicants for services to become Medicaid eligible but it is not a requirement for receiving services. There are a small number of adults receiving a range of DMR supports who could become eligible for Medicaid if they reduced their asset level. The state is paying 100% of the cost of services for these individuals because they don't qualify for Medicaid so no federal dollars are reimbursed to the state to cover about half of the cost of their services. In order to make the system as equitable and fair as possible, DMR is working with these adults to help them reduce their asset levels so that they can become Medicaid eligible as quickly as possible and the state treasury can receive these federal funds.

WHAT DMR IS PROPOSING:

Like most states, DMR is establishing a "waiver mandate" so that the state can receive more federal dollars. The legislature has directed DMR to maximize federal funding for effective management of resources. For most of the services DMR provides, a policy will be established requiring adults to enroll in the Medicaid Waiver program so that Massachusetts can get federal reimbursement for those services. This means that any adult who can become Medicaid eligible must establish and maintain their Medicaid eligibility in order for DMR to enroll them in the waiver and share the cost of their services with federal funds. For new adult applicants for services, the Intake and Eligibility Team will initiate an application for Medicaid through the state's Virtual Gateway. Adults who have assets above those allowed by Medicaid must immediately begin to spend down their assets to the allowable level and become Medicaid eligible in order to continue to receive services.

CRITICAL THINGS TO THINK ABOUT

- When a new applicant for DMR services has assets that prevent them from becoming Medicaid eligible, DMR will assist them in arranging those assets in a way that allows them to meet Medicaid eligibility requirements.
- Individuals with excess assets may be required to use those assets to contribute to the cost of paying for their services as a way of spending down to the level required to become Medicaid eligible.